

Full Time Coach, Talent Fee & Camp Agreement – Men’s Basketball

THIS AGREEMENT is entered into as of **March 30, 2013**, to be effective as of **March 30, 2013**, by and between The Regents of the University of California, hereinafter called “University,” on behalf of its Los Angeles campus, hereinafter called “UCLA,” and **Steve Alford** hereinafter called “**Coach.**”

In consideration of the mutual promises of the parties hereto, the parties agree as follows:

1. Employment as the Employee of University.

University agrees to and hereby does employ Coach as **Head Coach** of the **Men’s Basketball Team** (hereinafter called “**Team**”) at UCLA, under the terms and conditions hereinafter set forth.

2. Term of Employment.

The period of employment shall be **7 years and one month, commencing March 30, 2013, and ending April 30, 2020**, unless sooner terminated in accordance with the terms and provisions of this Agreement. Commencing in 2014, between April 1 and April 30 of each year of the agreement, Coach and Director agree to meet for the purpose of discussing the option to extend the employment agreement, in writing, an additional year.

3. Compensation.

In consideration for the promises he has made in entering into this Agreement, Coach shall be entitled to the compensation set forth herein. All payments and benefits to be paid or provided by the University shall be paid or provided in accordance with the payroll policies of the University and subject to such deductions and reporting as may be required by applicable laws or regulation and are subject to the terms and conditions of this Agreement.

The compensation to be provided to Coach under this Agreement shall consist of the following:

3.1 Base Salary.

An annual base salary in the amount of **\$300,000.00 (three hundred thousand dollars and no cents)** per year, payable in substantially equal monthly installments.

- 3.1.1** The base salary paid pursuant to section 3.1 of this Agreement shall be the sole amount of compensation considered by the University when determining the level of Coach’s benefits under any employee benefit programs offered by the University. The provision of such benefits shall be governed by University policy and by applicable state and federal law, including, but not limited to, any limitations on the amount of compensation that may be taken into account for benefit purposes. Furthermore, pursuant to Article 2, Section.

2.13(e) of the University of California Retirement Plan (UCRP), “compensation received in excess of the appropriate fiscal year base salary scale through negotiated arrangements” shall not be considered when determining UCRP benefits.

3.2 Talent Fee.

In consideration of Coach’s assignment to University of the rights described in Section 6.1 of this Agreement, an annualized talent fee in the amount of **\$2,300,000.00 (two million three hundred thousand dollars and no cents)**, payable in substantially equal monthly installments.

3.3 Achievement Bonus Payments.

3.3.1 Coach shall be eligible to earn additional compensation in the form of a bonus for post-season appearances. Each potential bonus opportunity is cumulative, creating a maximum bonus opportunity of **up to \$270,000**.

A. Academic achievement:

1. Academic Progress Rate (APR) greater than 925: **\$10,000**.

B. Coach of the year recognition:

- I. Selection as conference coach of the year, as named by the Pac-12 Conference: **\$10,000**.
- II. Selection as national coach of the year, as voted by the National Association of Basketball Coaches (NABC): **\$15,000**.

C. Team performance:

- I. Conference tournament champion: **\$15,000**.
- II. Conference regular season champion or co-champion: **\$20,000**.
- III. Selection to participate in the NCAA Tournament: **\$25,000**.
- IV. Advancement to the Sweet 16 in the NCAA Tournament: **\$25,000**.
- V. Advancement to the Elite 8 in the NCAA Tournament: **\$25,000**.
- VI. Advancement to the Final Four in the NCAA Tournament: **\$50,000**.
- VII. National champion: **\$75,000**.

3.3.2 The parties agree that the post-season bonus provisions may be revised if the conference or post season structure is substantially modified.

3.3.3 Coach understands and agrees that no postseason bonus shall be paid for any season in which the Team is on NCAA probation. Coach further understands and agrees that, in the event any post season bonus has been paid for an appearance during a season in which the Team is subsequently sanctioned by

the NCAA for major violation(s), or multiple secondary violation(s), in which Coach was directly involved, that Coach facilitated, or condoned, or about which Coach knew or should have known, Coach shall promptly return such postseason bonus, and Coach agrees that UCLA shall have the right to withhold the amount of such postseason bonus not returned by Coach from any sums due Coach, including, without limitation, from base salary.

3.4 Signing Bonus

Coach shall be paid, within 60 days of the execution of this agreement, a one-time signing bonus in the amount of \$845,615.00 (eight hundred forty five thousand six hundred fifteen dollars and no cents). This sum shall, among other things, compensate Coach fully for lost income, liquidated damages owed, and the tax consequences thereon, relating to his departure from his prior position at another institution.

3.5 Contingent Retention Bonus

A Contingent Retention Bonus of **\$90,000 (ninety thousand dollars and no cents)** will be payable as follows: one-third (\$30,000) to be paid on the first pay date following May 1, 2014; one-third (\$30,000) to be paid on the first pay date following May 1, 2015; and one-third (\$30,000) to be paid on the first pay date following May 1, 2016; if Coach remains employed as Head Coach as of said dates.

In the event Coach becomes unable to perform the services described in the contract due to illness, incapacity, or some other non-performance-based reason and the contract is terminated, Coach or his assignees will receive a pro-rata portion of the Contingent Retention Bonus that has accrued by the date the contract is terminated.

If Coach is terminated under the “Termination without Cause” provisions of Section 5.3 of this Agreement, Coach will receive a pro-rata portion of the Contingent Retention Bonus that has accrued by the date the contract is terminated.

If Coach is terminated for cause, or Coach exercises his termination rights, all as-yet unpaid Contingent Retention Bonuses are forfeited.

3.6 Summer and Holiday Camps.

If, during the term of this Agreement, the UCLA Director of Intercollegiate Athletics (hereinafter “Director”) opts to conduct a holiday and/or summer **Basketball** camp(s), Coach will be paid a fee for services performed in connection with such camp(s), hereinafter set forth. In performance of these services, Coach shall be directly responsible to the Director, or his designee. The dates, times, and locations of said camps shall be determined by UCLA. Payment will be paid after the conclusion of the last camp session of each year any such camp is held. Payment is not to exceed **\$150,000**.

3.7 Retirement Plan.

Coach shall be a contributing member of the University of California Retirement Plan and be eligible for group health, life, disability, worker's compensation, and unemployment benefits available to staff employees in accordance with prevailing University policies and procedures.

3.8 Fringe Benefits.

Additional perquisites and benefits as approved by the Director at his option and in his sole discretion, including, but not limited to:

- 3.8.1** Two courtesy automobiles,
- 3.8.2** reasonable local country club membership dues support limited to the Term,
- 3.8.3** reimbursement of 100% of actual expenses related to moving household goods and personal effects from the former primary residence to the new primary residence, subject to the limitations under University policy,
- 3.8.4** Participation in the UC Home Loan Program, as approved by the UC President,
- 3.8.5** Spouse travel for required events outside of the Los Angeles area, subject to approval by the Athletics Director and in accordance with the requirements for employee travel expenses set forth in University policy,
- 3.8.6** Other benefits normally associated with the operation of an intercollegiate athletic program will be provided to Coach.

It is understood that any or all of these perquisites and benefits may be withdrawn at any time by the Director. At the written request of the Director, all such tangible perquisites and benefits shall be returned to the University within two (2) business days in good condition, normal wear and tear excepted. If not returned, or if not returned in satisfactory condition, Coach hereby agrees to reimburse the University for any loss or damage sustained by Coach's use of such perquisites and benefits. Coach agrees to pay actual expenditures incurred by the University in any attempt to collect this obligation, and the University shall be entitled to reasonable attorney's fees in addition to any other relief to which it may be entitled. Coach agrees to execute promptly any documents requested by the University to effectuate or expedite such reimbursements.

3.9 Additional Compensation.

The University may, at its option and in its sole discretion, increase the compensation specified in this Agreement, subject to delegated authority from the Regents and approval by the Chancellor. Such additional compensation shall not be conditioned upon the Team's performance.

4. Duties and Responsibilities.

Coach agrees to and hereby does accept employment in this position and agrees faithfully and diligently to devote substantially his full time to the performance of the duties of this

position, including without limitation, cooperating with any third parties, at the University's direction, with whom the University has contractual commitments.

4.1 NCAA Compliance.

In performance of his duties, Coach shall be directly responsible to and under the supervision of the **Director** and observe all NCAA, Pac-12, and University policies.

4.1.1 Without limiting the foregoing, Coach, in the performance of his duties, shall conduct himself at all times in a manner consistent with his position as an instructor of students, and he shall not either directly or indirectly, violate or countenance the violation by any player or coach subject to his control or supervision of any of the announced or published rules or standards of collegiate amateur athletics. It is understood and agreed by Coach that a violation or violations by him of such rules or standards of a significant or serious nature or cumulatively significant or serious nature, as the case may be, shall constitute cause for termination of this Agreement pursuant to Section 5.1 of this Agreement.

4.1.2 In addition to the provision of Section 4.1.1, above, and not in limitation thereof, in accordance with the 5th Special NCAA Convention held June 21, 1985, it is understood and agreed that, if Coach is found in violation of NCAA regulations, he shall be subject to disciplinary or corrective action as set forth in provisions of the NCAA enforcement procedures as they may exist from time to time, including without limitation, suspension without pay or termination for significant or repetitive violations.

4.2 Apparel Agreement Compliance.

Coach understands and agrees that he is required exclusively to use athletic equipment and clothing, and other items of a personal nature, including, without limitation, eyeglasses, shoes, and other apparel, provided by UCLA for the Team and for him when engaged in UCLA- or Team-related activities or when engaged in any outside promotional, commercial, or instructional activities, regardless of whether Coach is compensated therefore. Coach further agrees that he shall do nothing that conflicts or appears to conflict, with UCLA's contracts with third parties for such equipment, clothing, and personal items.

5. Termination.

5.1 Termination for Cause.

A violation by coach of any of the provisions hereinabove stated shall constitute a breach of this Agreement and cause for termination of this Agreement. Acts which may be considered a breach of this Agreement include, but are not limited to, acts of dishonesty, theft or misappropriation of University property, fighting on the job, insubordination, acts

endangering others or other serious misconduct. Upon any such breach, the Director may, at his option and in his sole discretion, but subject to the provision of Section 5.1.3 of this Agreement, terminate this Agreement. Upon any such termination, any and all future rights and obligation of the parties hereto and hereunder shall cease.

- 5.1.1** In addition to, and not in limitation of, any other sections of this Agreement, if Coach has committed, or shall commit, any act or has been or in the future becomes involved in any situation or occurrence, involving his improper use of or other improper association with drugs or alcohol, or otherwise tending to bring her/himself into public disrepute, contempt, scandal, or ridicule, or tending to shock, insult or offend the people of this nation or any class or group thereof, or reflecting unfavorably upon University's reputation or products, then University shall have the right, upon oral or written notice but subject to an opportunity to explain or to cure and to otherwise appeal pursuant to the provisions of Section 5.1.3 of this Agreement, to terminate this Agreement. University's decision on all matters arising under this section shall be conclusive.
- 5.1.2** Coach understands and agrees that, if this Agreement is terminated for cause, Coach is not entitled to either a Skelly hearing (that is, an opportunity to be heard) prior to being removed from the position of Coach, or a post removal hearing to test whether Coach was removed consistent with the provisions of this Agreement, other than as provided for in this Section 5.1. Coach hereby voluntarily waives any and all rights to such process (except as provided below) in exchange for the bargained-for consideration contained in Section 3 of this Agreement.
- 5.1.3** Appeal of Termination for Cause. In the event of termination for cause, Coach shall be entitled to request an opportunity to appear before and/or to submit written materials to the Director or his designate in a manner consistent with the terms of this Agreement. Such an opportunity may take place either before Coach is removed from his position or after he is so removed. Coach's request must be made in writing to the Director. Coach understands and agrees that the exigencies of operating an NCAA Division I **Men's Basketball** program require that matters involving the termination of Coach for cause be handled expeditiously to avoid the perception of confusion within and damage to the program. Coach agrees, therefore, that he shall have five (5) calendar days from the date on which he receives notice that he is to be terminated for cause or from the date on which he is terminated, whichever occurs first, in which to request an opportunity to appear before and/or to submit written materials to the Director of Intercollegiate Athletics or his designate. Such an opportunity shall occur within five (5) calendar days after Coach's request is timely received. The Director or his designate shall review the matter and respond to Coach in writing within three (3) calendar days.

- 5.1.4 Inability to Perform.** In the event Coach is unable to continue to perform his obligations under this Agreement by reason of illness or some other occurrence beyond the control of either party hereto, and such inability to perform has continued or will continue beyond a reasonable period of time, as determined by the Director in his sole discretion, this Agreement shall thereupon terminate and all future obligations between the parties under this Agreement shall cease.

5.2 Termination by the Employee.

There is reserved to Coach the right to terminate this Agreement at any time by providing written notice to the Director. Such termination by Coach must occur, however, at a time outside the **Men's Basketball** playing season or the **Men's Basketball** recruiting season as defined by the NCAA, with the exception of the thirty (30) days immediately following the last regularly scheduled game of the **Men's Basketball** season in the calendar year in which Coach so terminates this Agreement, so as to minimize the impact of such termination upon UCLA's **Men's Basketball** program. Exceptions to this provision can be approved only with the prior, express written agreement of the Director. Upon termination by Coach, all future rights and obligations between the parties under this Agreement shall cease; with the exception that, in the event Coach terminates prior to April 30, 2020, Coach termination, or "buyout," amount shall be:

- I. **\$10,400,000** if prior to April 30, 2016;
- II. **\$7,800,000** if prior to April 30, 2017;
- III. **\$5,200,000** if prior to April 30, 2018; and
- IV. **\$2,600,000** if prior to April 30, 2019.

5.3 Termination without Cause.

In addition to, and exclusive of, the provisions of Sections 2, 4, 5.1, and 5.2 of this Agreement, there is also reserved to University the right to terminate this Agreement without cause at any time. The parties hereto agree that, in the event this right to terminate is exercised, University shall only be obligated to pay as follows: The amount of Base Salary, Talent Fee and Deferred Compensation identified in Sections 3.1, 3.2, and 3.3 of this Agreement during the remainder of the contract year (ending April 30) in which the termination occurred; and

- I. If University terminates without cause prior to April 30, 2016, the amount of **\$10,400,000**, paid in substantially equal monthly installments through April 30, 2020;
- II. If University terminates without cause prior to April 30, 2017, the amount of **\$7,800,000**, paid in substantially equal monthly installments through April 30, 2020;
- III. If University terminates without cause prior to April 30, 2018, the amount of **\$5,200,000**, paid in substantially equal monthly installments through April 30, 2020;

- IV. If University terminates without cause prior to April 30, 2019, the amount of **\$2,600,000**, paid in substantially equal monthly installments through April 30, 2020;

The Director, at his option and in his sole discretion, may elect to make any payment(s) made pursuant to this Section 5.3 in a lump sum within one hundred and eighty (180) days of such termination or in equal installments ending as of the date this Agreement would have terminated but for the exercise of University's right to terminate without cause.

- 5.3.1 Income from another Source.** It is expressly understood by the parties hereto that any payments made to Coach as base salary under the provisions of Section 5.3 shall be reduced by any gross amounts to which Coach shall become entitled from all other sources of income, including University, as and for compensation for the rendition of services by Coach during the period of time in which Coach, pursuant to this Agreement, would have been employed by University if University had not so terminated this Agreement. Coach agrees promptly to provide University with copies of his income tax returns for any year in which University makes payment(s) under this section, as well as provide all data that will enable University to implement its rights herein on a current basis. Coach warrants that he shall not enter into any employment arrangements (including "volunteer" or "trial" arrangements) utilizing deferred or partially deferred compensation arrangements, regardless of how such arrangements are characterized.
- 5.3.2 Continuation of Benefits.** Coach understands and agrees that any payment(s) made to her/him as a result of termination without cause shall not entitle her/him to the continuation of University employee benefits, including, without limitation, the accrual of additional UCRP service credit, except as such benefits are required by law for former employees, such as COBRA, or such benefits as shall have vested as of the date of such termination.
- 5.3.3 Supplemental Compensation.** Except as provided for in this Agreement, Coach shall not be liable to University for any collateral business opportunities, outside compensation, supplemental compensation, or other benefits Coach receives from third parties.
- 5.3.4 Waive Right to Sue.** Coach's right to payment under this Section 5.3 is subject to the express understanding that Coach shall bring no claim or lawsuit of any kind against the University or its employees or agents which arises out of or is in any way related to termination of his employment under this Section 5.3, or his employment (except any claim for worker's compensation or enforcement of Coach's right to payment under this Section 5.3). In the event that Coach brings such a claim or lawsuit, all obligations of the University under Section 5.3 shall cease, and Coach shall repay, forthwith and in full, any and all payments received by her/him from the University under this Section 5.3.

6. Outside Income.

6.1 Outside Endorsement.

Coach hereby assigns to University all rights of any kind he may have during the term hereof to enter into promotional, endorsement, or consultation contracts with athletic shoe, apparel, equipment, or other manufacturers, and agrees that during the term hereof he shall not enter into any such contracts in his own name or in the name of any other entity. During the term of this Agreement, Coach shall not accept compensation or gratuities of any kind, directly or indirectly, from any athletic shoe, apparel, equipment, or other manufacturer in exchange for the use of merchandise manufactured by such person or entity during practice or competition by the University's student-athletes.

6.2 Outside Employment.

Coach shall promptly advise the Director of Intercollegiate Athletics of any and all paid positions held or entered into by her/him during the term of this Agreement. Coach shall annually report all athletically-related income from sources outside the University (including, but not limited to, income from annuities, sports camps, housing benefits, ticket sales, television, and radio programs) to the Director and through her/him to the Chancellor. Under no circumstances shall Coach accept employment with a professional sports organization during the term of this Agreement without the prior, express written agreement of the Director.

7. Terms for Modification of Agreement.

It is mutually understood that this Agreement contains all of the terms and conditions to which the parties have agreed, that no other understandings or representations, either oral or written, regarding the subject matter of this Agreement shall be deemed to exist or to bind the parties hereto and that any modification of or amendment to this Agreement shall be by written instrument signed by each party hereto, or his authorized representative.

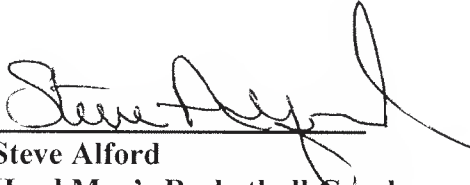
8. Choice of Law.

This Agreement has been entered into under and shall be governed by the laws of the State of California. In the event that either party for the enforcement or construction of any of the provision of this agreement commences litigation, the actions shall be brought in the Courts of the State of California, and the parties agree to submit to the jurisdiction thereof.

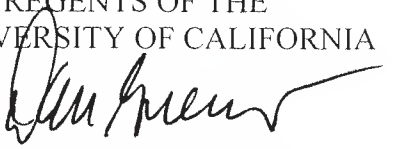
9. Severability.

Should any provision of this Agreement be held unenforceable or in conflict with the law of any jurisdiction, then the validity of the remaining provisions shall not be affected by such a holding.

IN WITNESS THEREOF, the parties hereto have hereunto set their hands as of the day and year first above written.

By: 
Steve Alford
Head Men's Basketball Coach

THE REGENTS OF THE
UNIVERSITY OF CALIFORNIA

By: 
Daniel Guerrero
Director of Intercollegiate
Athletics, UCLA